

State of Alaska FY2008 Governor's Operating Budget

Department of Labor and Workforce Development Second Injury Fund Component Budget Summary

Component: Second Injury Fund

Contribution to Department's Mission

The Second Injury Fund component contributes to the department's mission by facilitating reemployment of injured workers.

Core Services

This component reduces financial disincentives to reemployment of disabled workers. This is done by limiting a subsequent employer's liability for compensation payable when a previously disabled employee sustains a second injury causing additional disability.

The component staff determines whether a petition for Second Injury Fund payment is approved based on research and analysis of complex criteria. If payment is approved, the Second Injury Fund (SIF) reimburses the employer's insurer for all time loss benefits paid beyond 104 weeks. This component monitors all claims being reimbursed by the Fund, deposits and credits Fund contributions and also assesses penalties for the filing of late compensation reports.

FY2008 Resources Allocated to Achieve Results

FY2008 Component Budget: \$3,983,000	Personnel:	
	Full time	2
	Part time	0
	Total	2

Key Component Challenges

This component will also support the development and implementation of computer programs for additional electronic data interface enhancements allowing for electronic filing of reports of injuries and payments. The development is currently in the third phase.

Significant Changes in Results to be Delivered in FY2008

Adopt regulations setting time limits for retroactive reimbursement requests filed after the end of the state fiscal year.

Major Component Accomplishments in 2006

Continued to identify prior unbilled obligations and was able to contact insurers, verify claims and process payments of approximately \$240,000 of outstanding obligations.

Statutory and Regulatory Authority

Statutory Authority:

AS 23.30.040
AS 23.30.205

Second Injury Fund
Injury Determination

Administrative Regulations:

8 AAC 50

Second Injury Fund

Contact Information
<p>Contact: Paul Lisankie, Director Phone: (907) 465-2790 Fax: (907) 465-2797 E-mail: Paul_Lisankie@labor.state.ak.us</p>

Second Injury Fund Component Financial Summary

All dollars shown in thousands

	FY2006 Actuals	FY2007 Management Plan	FY2008 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	184.9	149.9	170.7
72000 Travel	0.9	2.5	2.5
73000 Services	72.4	57.6	57.6
74000 Commodities	5.2	5.2	5.2
75000 Capital Outlay	0.0	8.0	8.0
77000 Grants, Benefits	3,049.9	3,739.0	3,739.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	3,313.3	3,962.2	3,983.0
Funding Sources:			
1004 General Fund Receipts	0.2	0.2	0.2
1031 Second Injury Fund Reserve Account	3,313.1	3,962.0	3,982.8
Funding Totals	3,313.3	3,962.2	3,983.0

Estimated Revenue Collections

Description	Master Revenue Account	FY2006 Actuals	FY2007 Management Plan	FY2008 Governor
Unrestricted Revenues				
Second Injury Fund Reserve Account	51075	3,313.1	3,962.0	3,982.8
Unrestricted Total		3,313.1	3,962.0	3,982.8
Restricted Revenues				
None.		0.0	0.0	0.0
Restricted Total		0.0	0.0	0.0
Total Estimated Revenues		3,313.1	3,962.0	3,982.8

**Summary of Component Budget Changes
From FY2007 Management Plan to FY2008 Governor**

All dollars shown in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2007 Management Plan	0.2	0.0	3,962.0	3,962.2
Proposed budget increases:				
-FY 08 Retirement Systems Rate Increases	0.0	0.0	20.8	20.8
FY2008 Governor	0.2	0.0	3,982.8	3,983.0

**Second Injury Fund
Personal Services Information**

Authorized Positions			Personal Services Costs	
	<u>FY2007</u> <u>Management</u> <u>Plan</u>	<u>FY2008</u> <u>Governor</u>		
			Annual Salaries	97,880
Full-time	2	2	Premium Pay	0
Part-time	0	0	Annual Benefits	75,699
Nonpermanent	0	0	<i>Less 1.66% Vacancy Factor</i>	(2,879)
			Lump Sum Premium Pay	0
Totals	2	2	Total Personal Services	170,700

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Worker Comp Off I	0	0	1	0	1
Worker Comp Technician	0	0	1	0	1
Totals	0	0	2	0	2